

Feedback Form

2023 Annual Acquisition Report (AAR) – February 23, 2023

Feedback Provided by:

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Following the February 23, 2023 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by March 9. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Questions Directed at All Resource Types

Topic	Feedback
<p>Do you agree with the IESO recognizing market exit as an uncertainty and its intention to consider that some facilities exit the market in its analysis?</p>	<p>Yes. In addition to the various reasons related to reliability, EDF Renewables would find the analysis in the AAR on how the IESO is modeling these 'exists' to be extremely valuable. While EDF Renewables understands it will require the IESO to make various assumptions, from our perspective, as an investor also attempting to consider this uncertainty relative Ontario's unique and changing market, it would be valuable to compare assumptions. For example, the differences between Case 1 and Case 2 in the 2022 APO is so wide and uncertain, it's near impossible to articulate and explain the delta. Since the AAR is an annual planning document that attempts to articulate risks and uncertainties, based on the latest information, EDF Renewables would hope that the AAR would be the platform for the IESO to attempt to break down this wide band of uncertainty, in some way, since, over the past three (3) years, investors have come to understand that the AAR is not final and can be moderately adjusted year to year.</p>
<p>Do you expect your facility to participate in the next 5-10 years?</p> <p>What are some considerations that may impact participation?</p>	
<p>Facilities require regular maintenance and operational activities throughout their lifecycle. At what year of life would your facility require significant capital investments to extend its usable life? How long of a commitment would you expect to pay-off significant capital investments?</p>	
<p>How can existing assets be maximized? What is needed for these facilities to stay and continue operation?</p>	

Topic	Feedback
Is repowering your facility(ies) with a renewable fuel an option for future participation, and if so, what would be the earliest timeline for this?	

Questions Directed at Natural Gas Facilities

Topic	Feedback
How do you interpret the expected Clean Electricity Regulations (CER) in terms of the impact on the future operation of your facilities, including for emergency use purposes?	Click or tap here to enter text.
What impact will the rising federal carbon price have on the operation of your facilities in 2030 and beyond?	

Other

Topic	Feedback
Has the IESO missed any considerations in terms of the future participation of existing resources?	Click or tap here to enter text.

General Comments/Feedback

Annual Procurement Targets to 2035: EDF Renewables recommends that the 2023 AAR should forecast a procurement schedule with annual MW targets beyond LT2 to 2032 (COD of 2035). This schedule can be adjusted annually, but the intent of such a schedule would send a clear signal to investors that Ontario will acquire 'no regrets' non-emitting renewables. The schedule would create clarity, stability and most importantly provide time for Ontario to secure energy and capacity from competitively procured projects with indigenous partners in willing host communities. Moreover, the schedule would provide a longer potential investment horizon to foster more market innovation and transmission optimization that would help drive down the price of energy for ratepayers. With the passage of the IRA in the US last year, EDF Renewables is already seeing a significant amount of new resources and capital moving away from Ontario that the IESO must consider as it assess various market risks and uncertainties in the AAR. While the AAR did send a signal that Ontario would launch the Long-Term Procurement process (E-RFP, LT1 RFP, LT2 RFP), EDF Renewables must stress that there is no visibility beyond the LT2 RFP in 2024. Further to that, we are currently unclear on how the LT 2 RFP and contract would be drafted i.e., what resources would be eligible, term,

capacity only or does it include energy, etc. With annual procurement targets in neighbouring jurisdictions like Quebec and New York looking out several years, Ontario should seek out a pathway to keep pace or it could lose further interest from global investors. EDF Renewables is a long-standing investor in the Ontario electricity market, and over the last thirty years in various markets across North America. Over half of our nearly 2 GW worth of wind and solar projects put in service in Ontario and across Canada have been built in partnership with indigenous communities and municipalities.